



We will discuss Meal Counting and Claiming requirements. This process is needed for proper claiming of meals for reimbursement.

Your menus show the meal meet requirements.

Your production records shows you had enough of the right kind of food.

But how does the school get what is called “reimbursement” – the money from US Department of Agriculture?

Some of the reasons we have the National School Lunch Program and School Breakfast Program is to help school nutrition programs by providing food (the USDA Food entitlement – “commodities”), and reimbursement to lower the cost of providing nutritious meals so children are ready to learn.

IT ALL BEGINS WITH THE APPLICATION & AGREEMENT

- School Food Authorities (SFA) complete an annual application to and enters into agreement with the State Agency (SA).
- Submit a Free & Reduced Price Policy Statement whenever substantial changes occur to the program
- Important for administration and operation to communicate.



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- The School Food Authority (called SFA) completes an annual and enters into agreement with CANS. The application tells CANS how you will operate the program, when you serve meals. By clicking certification checkboxes and submitting the application, the SFA indicates that programs will be operated in accordance with the rules and regulations.
- The Policy Statement is the process the school uses to provide free and reduced price meals to eligible students. This Policy Statement is considered as part of the permanent agreement with the CANS office, and may need revisions whenever a substantial change occurs, such as the addition of a new USDA program.
- Even though you may not be responsible for the CANS agreement there are parts in the agreement that affect you!
- The annual agreement is completed electronically, within our secure application and claim system, known as iCAN.

ANNUAL AGREEMENT CONTINUED

- Considering Operational Information in the Agreement
 - Offer Versus Serve?
 - Meal Service Times?
 - Point of Service location/process?

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- To continue briefly with the agreement, SFAs provide program operation information, which are important to know. Some examples include:
 - Offer vs serve. Does the annual agreement specify whether the school allows students to decline food items when selecting a reimbursable meal? It is important that the annual agreement accurately describes processes being used, and that food service maintain the process indicated. If processes are not accurately followed, this could result in a fiscal calculation on a program review.
 - Meal service time – if the times are not correct, a review finding might be that there are meals served outside of approved times – which can again result in a finding or fiscal calculation on a review.
 - Point of Service – this one is more common than CANS would want it to be – the agreement indicates where a reimbursable meal is counted at – at the front of the line or at the end of the line. If not properly approved, Point of Service at the front of the line, before the child has access to all meal components, can result in a finding and fiscal calculation.

MEAL COUNTING AND CLAIMING

Five points of an acceptable counting and claiming procedure required by the USDA include:

1. Eligibility documentation
2. Collection procedures (money)
3. Point of service meal counts
4. Claim for reimbursement
5. Internal controls



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2. Collection procedures (money)
3. Point of service meal counts
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5. Internal controls

We'll briefly cover these so you know how it all fits together. If you are responsible for these areas, you will want to contact CANS to find out how you can get more training, or take a look on the CANS webpage for additional training resources.

The school gets money for each child's reimbursable meal. The intent is to make healthy meals available to *all* children, not just children who are eligible free.

The school gets more money for meals served to children who are eligible for free or reduced-price benefit status. The purpose of the counting and claiming process is to make sure the school is using proper methods that provide the accurate benefits to students that are eligible, and that the SFA uses proper methods to obtain reimbursement from USDA.

There has been fraud, waste, and abuse in the program so there gets to be more rules to help prevent that.

ELIGIBILITY DOCUMENTATION

1. Eligibility documentation
 - Documentation or proof for every student that receives free or reduced priced meals.
 - Free and Reduced Price Meal Applications
 - Direct Certification – Documentation that shows a child is eligible for free meals based on other program information.
 - Verification:
 - By random selection within the rules of Verification
 - Confirmation review
 - Verification For Cause

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In order to issue benefits of free or reduced price status to students, eligibility documentation must be obtained.

There are a couple methods which an SFA may use to obtain eligibility documentation.

1. The Application for Meal Benefits or F&RP Application – the family applies to get benefits and lists the family size and income.
 2. Direct Certification – Students that are in households which receive assistance program benefits, such as SNAP would automatically receive free meal benefits, however, households may choose to complete a household application if preferred, and report their active Case Number.
- The family's eligibility from previous school year carries up to 30 operating days into the next year, so the school has time to process the applications.
 - When a student transfers from one school to another, their eligibility follows them. Schools may communicate with each other to avoid a lapse in benefit status for the student.

ELIGIBILITY DOCUMENTATION

1. Eligibility documentation

- Verification:
 - By random selection within the rules of Verification
 - Confirmation review
 - Verification For Cause

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To continue with Eligibility Documentation –

Verification must be done by all schools with applications for free & reduced price meals. Verification is the process of selecting a small percentage of your approved applications to verify with those families that only eligible families are obtaining benefits.

A Confirmation review must be done by a second set of eyes (than the person that originally determined the eligibility) for applications selected for verification. This is done to ensure that the original determination was properly made by the Determining Official.

Sometimes the school doubts the information on an application isn't complete or accurate, and may need to "verify for cause". SFAs have the right to verify applications for cause, as needed.

ELIGIBILITY DOCUMENTATION

2020-2021 Application for Free and Reduced Price School Meals or Free Milk
Complete one application per household. Please use a pen (not a pencil).

STEP 1: List ALL Household Members who are infants, children, and students up to and including age 18.

Child's Name	Age
<input style="width: 95%;" type="text"/>	<input style="width: 80%;" type="text"/>
<input style="width: 95%;" type="text"/>	<input style="width: 80%;" type="text"/>
<input style="width: 95%;" type="text"/>	<input style="width: 80%;" type="text"/>
<input style="width: 95%;" type="text"/>	<input style="width: 80%;" type="text"/>
<input style="width: 95%;" type="text"/>	<input style="width: 80%;" type="text"/>
<input style="width: 95%;" type="text"/>	<input style="width: 80%;" type="text"/>

Definition of Household Member: "Anyone who is living with you & shares income and expenses, even if not related."
Children in Foster care and children who meet the definition of Homeless, Migrant, or Runaway are eligible for free meals. Read How to Apply for Free and Reduced Price School Meals for more information.

**Eligibility Manual for School Meals
Determining and Verifying Eligibility**



USDA USD A Food and Nutrition Services
Child Nutrition Programs

**doe.sd.gov/cans/ -
Under Documents**

Families can apply for meal benefits – Full Application found in Annual Agreement

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Families have the opportunity to apply for free or reduced-price meal benefits at schools. Schools which charge households for meals must make the household application available.

The “determining official” must make sure the applications are complete, figure out if the family is eligible or not, complete the school portion, notify the family, and let the person who does the meal counting know who is eligible.

This is confidential information – no talking about who is eligible at coffee break, no sharing lists, no hanging up signs. Be careful of communication or accidental comments. Employees cannot overtly identify a student’s eligibility status. Even comments in the lunch line such as “Oh, you get free meals, you only need to pay for the extra food...” should be avoided.

And of course, for all your efforts, the kids will still sometimes tell one another what their category is. Just let it go – if you make a big deal out of it, they will, too.

The Eligibility manual contains the answers to nearly all the questions you may have about eligibility determination. It also has information on how to conduct verification, and much more. The online version is very useful for the person who does this because you can search for your topic lots faster. There are always new situations – CANS can help find answers for those questions.

COLLECTION PROCEDURES

2. Collection procedures

- How students pay for their meals
- Avoid overt identification



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- The second point in the five requirements is about Collection Procedures - or how do students pay for their meals and how does the person who files the claim know which meals were free, reduced, or paid.
- People who sell lunch tickets or take money for meal accounts need to know who is eligible for free, reduced, and paid.
- Once the children pay for their meals, how is the system updated so the student may receive eligibility and purchase a meal? There are a few different acceptable methods for meal counting practice. Some use check off lists, but more and more schools do this on the computer, or meal count is conducted electronically at the Point of Service, and a student's account is charged, which has improved the protection of student eligibility .

COLLECTION PROCEDURES

2. Collection procedures

- Avoid overt identification
 - Student eligibility must be protected
 - Maintain awareness

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A little more information about Overt Identification –

- Overt Identification occurs when a student's eligibility status is made known to those which otherwise should not have the information.
- If a school is using lunch tickets, the tickets cannot be colored differently by eligibility category.
- Avoid students seeing computer screens that have confidential information, or have information spoofed on the screen.
- be careful of accepting payments in the line – example – a child eligible for reduced price brings 40 cents. Will the next student in line figure out this child is eligible for reduced price meals?

POINT OF SERVICE MEAL COUNTS

3. Point of service meal counts
 - a) Identification of reimbursable meals
 - b) By eligibility type (F/R/P)
 - c) Every day and every meal
 - d) Without overt identification

Remember: Only one lunch and one
breakfast can be counted for reimbursement
per student, per day.

- The third step in the 5 required points is called Point of service meal counts – this is the part that often involves the food service personnel because they have that duty or a part of the duty.
- All meals must be counted at the point in the food service operation where **it can be accurately determined that a reimbursable meal has been served to an eligible student**. This means that the student must have the items needed on the tray for a reimbursable meal, and that the items must meet the meal pattern requirements for components and amounts when they go to the person who does the meal counts.
- The items need to meet a reimbursable meal will be determined by the Offer vs. Serve selection on the agreement/application with CANS.
- The count takes place by the cashier at the end of the service line, unless an alternate method has been approved by CANS.
- The **person responsible for monitoring the meals needs to observe every meal** – not be running to fill the service line or salad bar in the middle of service.
- If a student doesn't take a reimbursable meal, it is best practice to encourage the student to return to the line to select additional items needed to form a reimbursable meal. If the student still chooses to take a non-reimbursable meal, the meal cannot be claimed for reimbursement, but must be paid for outside of the food service account, such as established a la carte charges, charging the adult meal price, charging a price that covers the cost of the meal, or usage of general fund dollars. Although this may be a rare occurrence, Make sure that the school has a plan in place if this were to happen.
- Be sure you have a back up person or process trained on meal counting and claiming. It'd be suggested to have the backup person conduct meal counting periodically so they stay in practice.
- Do you do tray counts as a form of an edit check?
- Tray counts are a great tool to help double-check the meal counts. Tray counts cannot be the sole count of meals served. It doesn't have to exactly match every day – maybe someone took a clean tray when they went through the salad bar, a tray was dropped, someone picked up an extra tray for some reason....If there is a large discrepancy, that tells the person adding the meal counts that they may have missed a page or a classroom. Maybe the formula or cells on their spreadsheet are wrong. One school has started a verification of their computerized count because there is a significant difference every day. That could result in either claiming too many meals or not claiming enough meals, neither is a good situation.
- Same logic is applied to using Attendance records as meal counts.

POINT OF SERVICE MEAL COUNTS

3. Point of service meal counts (*continued*)

- **What is a reimbursable meal?**

- Depends on agreement with CANS
- No OVS:
 - Lunch: Must contain all 5 components in minimum required quantity
 - Breakfast: Must contain 3 components/food items in minimum required quantity
- Offer vs serve:
 - Lunch: Student must take 3 of 5 components and 1 must be $\frac{1}{2}$ c fruit &/or veg
 - Breakfast: Must contain 4 food items. Student must take 3 food items and 1 must be $\frac{1}{2}$ c fruit

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What is a reimbursable meal?

Depends on agreement with CANS

If the school is not utilizing Offer Versus Serve –

Lunch: Must contain all 5 components in minimum required quantity

Breakfast: Must contain 3 components/food items in minimum required quantity

If the school is utilizing Offer Versus Serve –

Lunch: Student must take 3 of 5 components and 1 must be $\frac{1}{2}$ c fruit &/or veg

Breakfast: Must make 4 food items available.

Student must take 3 food items and 1 must be $\frac{1}{2}$ c fruit

As we can see, it is important that administration and food service both know and communicate about what is going on between the annual agreement and the practices in place.

- The cashier or Point of Service staff must be able to identify what food items make up a reimbursable meal and must count as reimbursable only those meals that meet the requirement.

POINT OF SERVICE MEAL COUNTS

3. Point of service meal counts (*continued*)

- Only 1 breakfast & 1 lunch per student, per day can be counted and claimed
- None of the following can be included in your claim:
 - Meals served as seconds or second meals
 - Meals served to adults
 - Meals served to children who are not part of your program
 - Meals served to children who are not enrolled at your SFA

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Only 1 breakfast & 1 lunch per student, per day can be counted and claimed

None of the following can be included in your claim:

Meals served as seconds or second meals

Meals served to adults

Meals served to children who are not part of your program

Meals served to children who are not enrolled at your SFA

It is not uncommon to see teachers or staff members unaware of food service rules, such as Offer Versus Serve. It is important to make sure all staff members that are involved with food service are well-educated on what is needed for a reimbursable meal, along with counting and claiming rules.

Additionally, just an added point – Second meals must be recorded as seconds or a la carte sales. No adult meals can be claimed as reimbursable.

CLAIM FOR REIMBURSEMENT

4. What happens after the meals are counted?

- Recorded either on paper forms or in a computer
- End of the month the counts are totaled
- Edit checks are completed
- Claim is filed

All meals served in the NSLP/SBP and counted for reimbursement must meet the requirements for the current meal pattern as specified in the program regulations and must be served to eligible students.

- The fourth step is the claim for reimbursement.
- The daily meal counts are used to add up the number of meals to be claimed at the end of the month. The school gets reimbursement for all the student's first meals.
- Before filing the claim, the person responsible for submitting the claim to CANS must determine if the counts are accurate by performing a series of "edit checks". Edit checks compare daily meal counts against daily attendance records. You should not have more meal counts than students in attendance for any given day.
- If something should happen so that the claim is not filed by the due date, a school district may still file a claim up to 60 days from the end of the month being claimed to file that claim. Of course, the sooner you file, the sooner your school receives the money.
- Claims for reimbursement are due by 10th day of the following month. For example, the October claim is due by November 10.
- Claims are submitted electronically in the iCAN system by site.

INTERNAL CONTROLS

5. Internal controls

- SFA must have controls sufficient to ensure meal counting and claiming accuracy and integrity.
- Have a backup plan – a second person, a second method.



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- The last point in the 5 steps is internal controls
- **SFA must have controls sufficient to ensure meal counting and claiming accuracy and integrity.**
- Some of the pieces include:
 - Confirmation review of applications
 - Verification
 - Edit checks
 - Confidentiality policy
 - Training meal counters/cashiers on a reimbursable meal and having trained back-ups.
 - On-site self reviews
 - Etc.
- Have a back-up plan for these steps. Just as you have plans for when someone can't come to work, or how snow days or late busses are handled, or what if something happens with the meal prepared for today, there must be a backup plan for meal counts when computers and electricity is involved.
- Best practices:
 - have the backup person perform duties every few weeks so they stay in practice.
 - have a checklist of students available if the computer quits working or the electricity to the count system goes down, you can still take meal counts. It might take longer, but it will still get the work done!

MEAL COUNTING

This training credits for 30 minutes of training in

Key Area 3 – Managing Funds

3310 Administration - Meal Counting & Claiming

Your Name:

Date of Training:



CONTACT US

CANS Office

Email: DOESchoolLunch@state.sd.us

Phone: 605-773-3413

Website: doe.sd.gov/cans/index.aspx



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(1) Mail: U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410;

(2) Fax: (202) 690-7442; or

(3) Email: program.intake@usda.gov.

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